

# INFORMATION SHEET

## SECURITIES WRAP SERVICE



辉立证券私人有限公司  
**PHILLIP SECURITIES PTE LTD**  
A member of PhillipCapital

250 North Bridge Road #06-00  
Raffles City Tower Singapore 179101  
Tel: 65311555 [www.phillip.com.sg](http://www.phillip.com.sg)  
Co. Reg. No. 197501035Z GST Reg. No. M2-0021956-2

For more information, please visit [www.poems.com.sg](http://www.poems.com.sg) or  
drop us an email at [talktophillip@phillip.com.sg](mailto:talktophillip@phillip.com.sg)

With **Securities Wrap Service**, you will receive professional advice on investment in securities from your Representative. Your Representative will recommend stocks and assist to place trades for you upon your confirmation.

As part of this service, your shares will be held in custody in a **Phillip Cash Prepaid Account (CC)** which is a pre-funded trading account. For information on CC, you may refer to its info sheet at [www.poems.com.sg/FAQs](http://www.poems.com.sg/FAQs).

A suitability analysis will be performed to understand your investment objectives, financial situation, particular needs and risk tolerance. This service would be suitable for investors with high risk preference.

Minimum initial deposit of S\$25,000 cash or stocks equivalent (can be transferred-in from CDP/ other broking houses) is required.

Your Representative is aligned with your interest to grow your investments through his/her personal analysis

You enjoy lower brokerage compared to standard broker-assisted trades with Phillip Securities Pte Ltd (PSPL).

### 1. Custody of Shares

All shares deposited or transacted through this account will be held in the custody with PSPL in trust. Corporate actions, such as dividends, rights subscription will be processed in this account.

Accounts with multi-currency facility will receive the cash dividends in declared currency unless otherwise determined by the issuer/PSPL.

### 2. Excess Funds Management Facility

You may wish to opt-in for the excess funds management facility to enjoy potentially greater earnings on the excess funds parked in this account. By opting in, your excess SGD and USD funds will be invested on a discretionary basis in **Phillip Money Market Funds (MMF) and Phillip**

**USD MMF** respectively. Please refer to the section on **Excess Funds Management** under important notice for more information.

Otherwise, idle funds residing in this account will be deposited in a trust account. Credit interest, if any, will be paid on the full amount when it exceeds the stipulated limit as follows:-

Amount	Interest* on Credit Balance
> S\$50,000	0.10% p.a.
> US\$50,000	0.15% p.a.
> HK\$50,000	0.10% p.a.
> AUD\$50,000	1.50% p.a.

\* PSPL reserves the right to change the rates without prior notice.

### 3. Multi-Currency Facility

As an added advantage, you also have the option of maintaining foreign currency balances (**USD, HKD, MYR, JPY, AUD, GBP, EUR, CNY and CAD**) in your account for ease of trading and efficient management of your foreign currency-denominated investments. Settlement for these shares can either be in the traded currency or in SGD. However, your account must have sufficient funds in the settlement currency to avoid incurring interest on debit balances.

Currency	Interest* on Debit Balance
SGD	6.00% p.a.
USD	7.00% p.a.
HKD	7.00% p.a.
JPY	4.20% p.a.
AUD	8.75% p.a.
GBP	4.50% p.a.
EUR	7.00% p.a.
CAD	7.00% p.a.
CNY	8.25% p.a.
MYR	No debit balance allowed

\* PSPL reserves the right to change the rates without prior notice.

#### 4. Settlement of Contracts

As long as you have sufficient funds (base amount) in your trading account, you enjoy **automatic settlement** for trades done.

You may make use of any of the payment modes set out in this information sheet to transfer money into the trading account.

Accounts with multi-currency ledgers may settle their foreign-denominated contracts in the traded currency or in SGD. However, for non multi-currency account, contracts will be settled in SGD.

#### Settlement of Purchase Contracts:

Purchase contracts will be settled on the contract due date through the deduction of the balance in the account.

#### Settlement of Sale Contracts:

Settlement of sale contracts will be performed on contract due date and the sale proceeds will be credited to the account upon delivery of the shares.

#### Auto-conversion of Debit Balance:

In the event the ledger runs into deficit, arising from certain transactions carried out on that day, auto-conversion will take place.

Transaction/Account Type	Cash Prepaid
1) Withdrawal of Money 2) Fees & Charges 3) Right Subscriptions	All ledgers
1) Purchase contract 2) Contra Loss	MYR Ledger only

#### 5. Online Transaction Records and Statements

If you have online access, you will be able to view your transaction history and account details up to **12 months** year-to-date.

Contract notes and a detailed monthly statement of account will be mailed to you if you have any transactions or have a balance in that month. If you choose to receive electronic statements, it will be sent to you by email instead. Where there is no transaction or balance in the account, Statement of Account will be issued at least once a quarter.

#### 6. Fund depositions/Payment modes

##### (I) Cheques

Cheques should be crossed and made payable to **"Phillip Securities Pte Ltd."** Please state your trading account number and name on the back of the cheque. If payment is in USD or MYR, cheques must be drawn in Singapore and Malaysia respectively. HKD, JPY, AUD, GBP, EUR, CNY and CAD payment can be made through telegraphic transfer (TT) ONLY. Bank charges are to be borne by account holder.

Cheques can either be mailed to your respective Representative or presented at our Head Office's cashier counter.

##### (II) EPS (Electronic Payment for Shares)

One trading account can only be linked to one bank account for EPS. Payment should be made latest by 9:00pm on the contract due date. When making payment through EPS, please choose 'lump sum' payment only. GIRO facility is not available for this account.

##### (III) Bill Payment

You may make payment via your bank's Bill Payment function. It may take at least 2 working days for us to receive your payment.

#### (IV) Cash

Cash payments in SGD can be made at our Head Office's cashier counter. Cash payments in any other currency except SGD are not accepted.

#### (V) Telegraphic Transfer (TT)

Please state your **trading account number** and **account name** in the TT payment instruction.

\*Please refer to Important Notice Point 8 for more details.

You will need the banking details for TT payment which you can find from this URL: [www.poems.com.sg/helpcentre/PSPLTrustAccounts2015.pdf](http://www.poems.com.sg/helpcentre/PSPLTrustAccounts2015.pdf)

#### 7. Withdrawal of Excess Funds

You can request your representative to submit a withdrawal on your behalf.

For customer protection, cheque payment will be crossed and issued according to account name only. We do not support payment in the form of cash or payment to another person other than the trading account holder.

#### 8. Schedule of Charges\*

Type of Service	Charges
<b>Wrap Fee</b>	1.25% per annum (Wrap fees will be deducted monthly and GST will apply)
<b>Quarterly Maintenance Charge</b>	S\$16.05 per quarter  (Quarterly trading activity is assessed at Mar, Jun, Sep, and Dec month end)  <b>Waiver Condition:</b> At least 1 trade per quarter for the account
<b>Foreign Share Custody Charges</b>	S\$2.14 per counter per month (subject to max S\$160.50 per quarter)  <b>Waiver Condition:</b> 2 trades per month or 6 trades per quarter or minimum S\$132 brokerage per quarter

Corporate Action Handling Fee	
Cash Dividend	1% on net dividend subject to min S\$1.07 capped at S\$53.50 + Foreign fees and taxes (if applicable)
Other than the above	S\$10.70 + Foreign fees and taxes (if applicable)

\* PSPL reserves the right to change the rates without prior notice.

## IMPORTANT NOTICE

1. The provisions above and these notes form part of the terms and conditions for opening and operating your account in addition to our general Terms & Conditions. In making your application for Cash Prepaid account with the Securities Wrap service, we will be assuming that you **agree** to this. Terms & Conditions can be obtained from Phillip Securities Pte Ltd or downloaded from [www.poems.com.sg](http://www.poems.com.sg).

2. If you opt for POEMS access on the account opening form, access will be granted on a view-only basis. You will not be allowed to perform any self-directed trades.

3. The proposal made by the Representative is only a suggestion and the investment decision lies with you. Any incomplete or inaccurate information provided by you on the personal financial review form (including a change in investment objective, financial situation or particular needs) may affect the suitability of the proposal made, and it is your responsibility to ensure the completeness, accuracy and relevance of such information provided.

Phillip Securities Pte Ltd (PSPL) or persons associated with or connected to PSPL, including but not limited to its officers, directors, employees may, from time to time maintain a long or short position in securities recommended, or in related futures or options, purchase or sell, make a market in, or engage in any other transaction involving such securities.

4. Account holders are responsible for maintaining adequate funds in the account for settlement of their purchase contracts, fees and/or charges. Insufficient

funds in the account may result in force-selling of overdue purchase contracts or debit balances.

5. For foreign currency-denominated shares transactions, account holders should ensure that there are sufficient funds in the settlement currency to avoid force selling. In the event that the account holder has funds in another currency in equivalent value to his/her deficit in the settlement currency, his/her shares will not be force sold but a debit balance interest will start to accrue on the settlement currency until he/she orders a currency conversion from the other currency to offset the debit balance in full. Account holder can do a currency conversion through POEMS or by giving instructions to his/her trading representative. PSPL will **not** do the currency conversion on your behalf without any given instruction from you unless they are items stated under **Auto-conversion of Debit Balance**.

6. Phillip Securities Pte Ltd reserves the right to revise the published rates and charges from time to time.

7. For closure of account, any credit balance of S\$1.00 or below will not be refunded to you.

8. For payment via Telegraphic Transfer (TT), you are strongly advised to state your PSPL Trading Account Number and Account Name clearly in your TT payment instruction.

In the event that PSPL is unable to identify the account for the amount to be credited, PSPL may reject the amount transmitted after reasonable endeavours have been made to trace the source of the deposit. Any bank charges incurred due to this event will be borne by you.

PSPL will not be held responsible for any loss, charge or damage arising from the rejected fund or delay in crediting the amount into the account.

9. Please contact your trading representative if you need any clarification or assistance on trading matters.

## EXCESS FUNDS MANAGEMENT

When you opt for excess funds management facility, you authorize Phillip Securities to invest your surplus funds on a discretionary basis in Money Market Funds.

Currently, your excess SGD funds are placed in the Phillip Money Market Fund and excess USD funds are

invested in the Phillip USD Money Market Fund (Phillip US Dollar Money Market Fund). Please visit [www.poems.com.sg/unittrust](http://www.poems.com.sg/unittrust) under Tools >> Fund Finder for more information on these two funds or ask your trading representative or customer servicing staff for the Factsheet.

The minimum amount of placement in MMF each time per client is \$100 and the minimum redemption amount is \$10. However, when the MMF unit balance falls below 50 upon redemption, balance units will be automatically and fully redeemed.

Equivalent dollar value of MMF units will be automatically redeemed at no extra charge for settlement of contracts or for withdrawal. For the settlement of the shares you buy, redemption of MMF units will take place automatically on contract due date+1. Similarly, excess cash arising from sales proceeds will be designated for placement in MMF on the same business day.

With regard to Money Market Funds (MMFs), **investors should note** that:

- A. MMFs are unit trusts that invest in short-term deposits and high quality debt securities. Both local and foreign issuers may issue permissible debt securities;
- B. Although the fund managers may seek to maintain or preserve the principal value of the MMFs, there can be no assurance that the funds will be able to meet their objectives;
- C. MMFs are **not principal guaranteed** unit trusts in that there is no guarantee as to the amount of capital invested and/or return received;
- D. Past performance figures as well as any projection or forecast regarding the MMFs are not necessarily indicative of the future or likely performance of such funds;
- E. A purchase of a unit in MMFs is not the same as placing funds on deposit with a bank or deposit-taking company. Investments are subject to investment risks including the possible loss of the principal amount invested;
- F. Unlike bank deposits, MMFs do not pay interest. Investors enjoy returns from the MMFs in the form of capital gains, which are generally not taxable under the current Singapore income tax laws;
- G. The value of units in MMFs and the income from them may rise as well as fall;
- H. For the MMFs invested through excess fund management feature, an annual management fee

of 0.45% of the net asset value is built into the unit price. Phillip Securities earns a trailer fee of 0.27% p.a. from fund managers (out of the 0.45% annual management fee).

- I. The Money Market Funds are not intended for US citizens.

## **DISCLAIMER**

This information sheet is provided to you for information only and does not constitute an offer or solicitation to purchase or sell the product mentioned. It does not have any regard to your specific investment objectives, financial situation and any of your particular needs. Accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of you acting based on this information. Investments are subject to investment risks. The information is correct as at the date of print & the company reserves the right to amend any of the information as well as revise the rates and charges.

Updated as of 27<sup>th</sup> Jun 2016.